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Sixty-first session

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Summary record of the 25th meeting
Held at Headquarters, New York, on Tuesday, 7 November 2006, at 3 p.m.

Chairperson: Ms. Intelmann ..... (Estonia)

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06-60439 (E)

Agenda item 69: Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance (*continued*)

(b) Special economic assistance to individual countries or regions (*continued*)

(c) Participation of volunteers, "White Helmets", in the activities of the United Nations in the field of humanitarian relief, rehabilitation and technical cooperation for development (*continued*)

The meeting was called to order at 3.10 p.m.

Agenda item 53: Sustainable development (*continued*)

(a) Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (*continued*) (A/C.2/61/L.23 and A/C.2/61/L.27)

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Draft resolutions on the oil slick on Lebanese shores; implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development; recognition of the Caribbean Sea as a special area in the context of sustainable development; international strategy for disaster reduction; international cooperation to reduce the impact of the El Niño phenomenon; natural disasters and vulnerability; protection of global climate for future generations of mankind; implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa; international year of biodiversity, 2010; and Convention on Biological Diversity

1. **Mr. Le Roux** (South Africa), speaking on behalf of the Group of 77 and China, introduced draft resolutions A/C.2/61/L.23, A/C.2/61/L.24, A/C.2/61/L.25, A/C.2/61/L.26, A/C.2/61/L.27, A/C.2/61/L.28, A/C.2/61/L.29, A/C.2/61/L.30, A/C.2/61/L.31 and A/C.2/61/L.33. Since all the draft resolutions on sustainable development were extremely important, it was to be hoped that the related informal consultations would be completed in an expeditious manner.

2. **Mr. Fonseca** (Brazil), Vice-Chairman, said that Israel and Japan had joined the list of sponsors of draft resolution A/C.2/61/L.29.

Agenda item 58: Operational activities for development: Operational activities for development of the United Nations system (*continued*) (A/C.2/61/L.32)

Draft resolution on the commemoration of the sixtieth anniversary of the operations of the United Nations Children's Fund

3. **Mr. Gerus** (Belarus) introduced draft resolution A/C.2/61/L.32, which was intended as a tribute to the United Nations Children's Fund (UNICEF), the world's most prominent and powerful defender and supporter of children and their rights. A special commemorative meeting of the General Assembly would be held in December 2006 as a further token of acknowledgement and respect for UNICEF, for which no amount of praise, encouragement or admiration could ever be sufficient.

Agenda item 50: Information and communication technologies for development (*continued*) (A/61/94 and Add.1 and A/61/254; A/C.2/61/CRP.2)

4. **The Chairperson** introduced conference room paper A/C.2/61/CRP.2 on policies of United Nations system organizations towards the use of open source software for development. The paper contained the response of the Joint Inspection Unit (JIU) to the Secretary-General's report on information and communication technologies for development: progress in the implementation of General Assembly resolution 57/295 (document A/61/254), and to the comments of the Secretary-General and of the United Nations System Chief Executives Board for Coordination on the report of JIU (JIU/REP/2005/7 and Corr.1), contained in documents A/61/94 and Add.1. The three documents had been introduced to the Committee at its

12th meeting. She took it that the Committee wished to take note of the JIU conference room paper.

5. *It was so decided.*

Agenda item 55: Globalization and interdependence (*continued*)

(e) Integration of the economies in transition into the world economy (*continued*) (A/C.2/61/L.11/Rev.1)

Draft resolution on integration of the economies in transition into the world economy

6. **Mr. Gerus** (Belarus) introduced draft resolution A/C.2/61/L.11/Rev.1, which contained a very comprehensive and balanced text.

7. **Ms. Mammadova** (Azerbaijan) said that Belgium, Greece, Hungary, Latvia, Mongolia, Serbia, Slovenia, Turkey and Uzbekistan had joined the list of sponsors of the draft resolution.

8. **The Chairperson** announced that the draft resolution had no programme budget implications, and that Chile, Israel and Moldova also wished to join the list of co-sponsors.

9. *Draft resolution A/C.2/61/L.11/Rev.1 was adopted.*

10. **Mr. Koudelka** (Czech Republic), speaking also on behalf of Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania, Slovakia and Slovenia, recalled that the first General Assembly resolution on countries with economies in transition had been adopted in 1992. Over the intervening 14 years, the nine countries in question had successfully transformed themselves from centrally planned economies into market-oriented economies, and should therefore no longer be considered as countries with economies in transition. All nine countries would continue to support the remaining countries with economies in transition in their efforts to integrate into the world economy.

Agenda item 69: Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance (*continued*)

(b) Special economic assistance to individual countries or regions (*continued*) (A/C.2/61/L.9/Rev.1)

Draft resolution on humanitarian assistance and reconstruction of Liberia

11. **Mr. Sele** (Liberia), introducing draft resolution A/C.2/61/L.9/Rev.1, said that Bangladesh, Cape Verde, Croatia, Finland, France, Ireland, Italy, Jamaica, the Libyan Arab Jamahiriya, the Netherlands, Norway and Sierra Leone had joined the list of sponsors.

12. **The Chairperson** announced that the draft resolution had no programme budget implications, and that Afghanistan, Angola, Brazil, the Democratic Republic of the Congo, Cuba, Guyana, Iceland, Portugal, South Africa, Saint Vincent and the Grenadines, the United Republic of Tanzania, Zambia and Zimbabwe also wished to join the list of sponsors.*

13. *Draft resolution A/C.2/61/L.9/Rev.1 was adopted.*

(c) Participation of volunteers, "White Helmets", in the activities of the United Nations in the field of humanitarian relief, rehabilitation and technical cooperation for development (*continued*) (A/C.2/61/L.4/Rev.1)

Draft resolution on participation of volunteers, "White Helmets", in the activities of the United Nations in the field of humanitarian relief, rehabilitation and technical cooperation for development

14. **Mr. Ainchil** (Argentina) introduced draft resolution A/C.2/61/L.4/Rev.1. The sponsors of the text were Andorra, Angola, Antigua and Barbuda, Armenia, Austria, Barbados, Brazil, Canada, Chile, China, Costa Rica, Croatia, Cuba, Ecuador, El Salvador, Finland, Georgia, Guatemala, Guyana, Indonesia, Israel, Italy, Japan, Kenya, Liberia, Luxembourg, Mexico, Monaco, Norway, Paraguay, Peru, Poland, the Russian Federation, Serbia, Slovakia, South Africa, Turkey, Ukraine, Uruguay and Viet Nam.

15. **The Chairperson** announced that the draft resolution had no programme budget implications, and that Afghanistan, Cape Verde, Ghana, Grenada, Iceland, India, Nigeria, Pakistan, Portugal, Senegal, Saint Vincent and the Grenadines, Timor-Leste and the United Republic of Tanzania wished to join the list of sponsors.

16. *Draft resolution A/C.2/61/L.4/Rev.1 was adopted.*

The meeting rose at 3.45 p.m.

* The delegation of Mali subsequently informed the Committee that it had intended to become a sponsor of the draft resolution.

United Nations A/C.2/61/SR.26

General Assembly
Sixty-first session

Official Records

Distr.: General
28 November 2006

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Second Committee

Summary record of the 26th meeting
Held at Headquarters, New York, on Wednesday, 8 November 2006, at 10 a.m.

Chairperson: Ms. Intelmann ..... (Estonia)

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Agenda item 69: Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance (*continued*)

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(a) Third United Nations Conference on the Least Developed Countries

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation

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06-60770 (E)

The meeting was called to order at 10.15 a.m.

Agenda item 69: Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance (*continued*)

(b) Special economic assistance to individual countries or regions (*continued*) (A/C.2/61/L.10/Rev.1 and L.8/Rev.1)

Draft resolution on international assistance for the economic rehabilitation of Angola

1. **Ms. Manuel** (Angola), introducing draft resolution A/C.2/61/L.10/Rev.1, said that four years ago Angola had introduced a draft resolution seeking international assistance to overcome a humanitarian catastrophe brought about by 30 years of armed conflict. Today, the reality was very different. Significant progress had been made on demining, and the process of disarming, demobilizing and reintegrating former combatants, refugees and internally displaced persons was all but complete. The country was also engaged in national dialogue and reform, with a view to strengthening its democratic institutions, and in mobilizing resources for the development, reconstruction and rehabilitation of socio-economic infrastructure. She acknowledged the significant contribution of South-South cooperation in that regard.

2. Lastly, she announced that Argentina, Botswana, China, the Democratic Republic of the Congo, Germany, Madagascar, Malawi, Mauritius, Namibia, South Africa, Timor-Leste, Togo and Turkey wished to join the sponsors.

Draft resolution on special economic assistance for the Philippines

3. **The Chairperson** invited the Committee to take action on draft resolution A/C.2/61/L.8/Rev.1, which contained no programme budget implications.

4. She informed the Committee that Angola, Brazil, Cape Verde, Grenada, Guinea, Haiti, Honduras, Italy, the Libyan Arab Jamahiriya, Nigeria, South Africa, Timor-Leste, Tunisia, Turkey and Uzbekistan had joined in sponsoring the draft resolution.

5. If she heard no objection, she would take it that the Committee wished to adopt draft resolution A/C.2/61/L.8/Rev.1.

6. *It was so decided.*

Agenda item 56: Groups of countries in special situations (A/61/486)

(a) Third United Nations Conference on the Least Developed Countries (A/61/82-E/2006/74 and Corr.1, A/61/117, A/61/162, A/61/173 and Corr.1, and A/61/323)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/61/126, A/61/181 and A/61/302)

7. **Mr. Chowdhury** (Under-Secretary-General, High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States), introducing the fourth annual progress report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/61/82-E/2006/74), noted that the report contained updated country-specific data. As it had been discussed in depth during the substantive session of the Economic and Social Council in July 2006, he would focus on subsequent developments, in particular the consensus reached on the comprehensive report of the Secretary-General on the midterm comprehensive global review of the implementation of the Programme of Action (A/61/173), which had been considered by the High-level Meeting of the General Assembly in September 2006. The Declaration adopted by the High-level Meeting (A/61/323, annex) reaffirmed that the Programme of Action for the Least Developed Countries adopted in Brussels constituted a fundamental framework for a strong global partnership between those countries and their development partners. The participants had recommitted themselves to the objectives, goals and targets of the Programme and stressed that they could only be achieved through the timely implementation of its seven commitments. They had concluded that, despite some progress, the

socio-economic situation in the countries concerned remained precarious and required continued attention and that, given current trends, many such countries were unlikely to achieve the goals and objectives set out in the Programme of Action. The Declaration had reaffirmed that the primary responsibility for development in least developed countries rested with their Governments and had called upon their development partners to continue to support their efforts, with the assistance of the United Nations system. The meeting had welcomed the elaboration of the Cotonou Strategy for the Further Implementation of the Brussels Programme of Action as an initiative led and owned by the countries.

8. The Brussels Programme of Action was a comprehensive poverty reduction and development strategy tailored to the special needs of the target countries. It was the foremost results-oriented programme and included 30 international time-bound and measurable development goals, which not only provided benchmarks for monitoring progress but also served as an effective means for planning, policymaking, institutional reform and resource mobilization. Least developing countries had thereby committed themselves to an annual GDP growth rate of 7 per cent; yet, while there had indeed been some growth, averaging 5.5 per cent yearly, it had not resulted in any meaningful reduction in extreme poverty in such countries, which affected over 50 per cent of their population. However, social indicators were improving, notably with regard to universal enrolment and gender equality in primary education; HIV/AIDS prevention and treatment still required significant investments. Some progress had also been made in increasing the volume of ODA and untying aid and there were good prospects of further improvements in aid effectiveness, in particular through new approaches to resource mobilization. If donors lived up to their promises on ODA, debt relief and market access, that would contribute significantly to achieving the objectives of the Brussels Programme of Action. Progress had also been made in addressing critical issues of effective governance, with the support of the United Nations system.

9. The Secretary-General's progress report emphasized that effective implementation of the Brussels Programme of Action called for strengthened country ownership, genuine partnership, an integrated approach, market consideration and results-orientation. The five-year review had highlighted, in addition, the importance of the role of United Nations Resident Coordinators, increased ODA, empowerment of women and infrastructure development. The inter-agency consultations regularly held during the preparation of the review had evolved into an Inter-agency Consultative Group (IACG), which could be expected to harness the considerable synergies generated by the mainstreaming of the Brussels Programme in the work programmes of the organization of the United Nations system and other multilateral bodies. Lastly, he drew the Committee's attention to the conclusions and recommendations contained in section III of the progress report.

10. Going on to introduce the report of the Secretary-General on the implementation of the Almaty Programme of Action (A/61/302), he said that it provided for the first time an account of the specific actions undertaken on five priorities of the Programme. It showed that the weak economic performance of landlocked developing countries was bound up with geographical factors. Border crossings, excessive distances to major markets, cumbersome customs procedures and inadequate infrastructure substantially increased the cost of trade for such countries, while high transport costs reduced trade flows, to the detriment of GDP, and were likely to spur inflation.

11. Under priority one of the Programme entitled "Fundamental transit policy issues", landlocked and transit developing countries were continuing to implement transit policy reform measures, in particular by further strengthening the legal frameworks governing transit transport. A number of bilateral, subregional and regional agreements had been concluded to that end, while steps had been taken to apply major international conventions, such as the Customs Convention on the International Transport of Goods under Cover of TIR Carnets. In southern Africa, the private sector was playing an important role in that regard, while, in Africa generally, regional integration organizations had helped to further transit corridor development strategy and monitor corridor performance.

12. Lack of infrastructure development, addressed under priority two of the Programme, continued to be a major obstacle to the development of landlocked developing countries and their integration into the world economy. The World Bank, the regional development banks and United Nations regional

commissions had responded to the challenge and were actively involved in the development of transit transport. Moreover, a meeting was currently taking place between transport ministers of the Asia and Pacific countries for the development of the Asian transport sector.

13. Priority three, trade and trade facilitation, had been given special emphasis in the report. Customs procedures and transport represented the single highest cost in external trade and a greater burden than import tariffs for the goods of landlocked developing countries which, together with transit developing countries, must make serious efforts to ease the bottlenecks.

14. International support measures were a further priority of the Programme. The report showed that about 7 per cent of total ODA received by landlocked developing countries in 2004 had been allocated to transport, storage and communications infrastructure. United Nations agencies and other international bodies continued to provide considerable resources and expertise, while his own Office had made significant progress in mobilizing and coordinating implementation of the Programme by international and regional financial and development organizations. Lastly, he drew the Committee's attention to the conclusions and recommendations contained in section IV of the report.

15. **Mr. Kittikhoun** (Lao People's Democratic Republic) said that in the three years since the adoption of the Almaty Programme of Action, some progress had been achieved in landlocked developing countries where per capita GDP had been steadily increasing since 2004. Overall, however, those countries remained weak and vulnerable because of the twin challenges of distance and border crossings. A significant proportion of export earnings went into transport and insurance costs, and landlocked countries remained dependent on their relationship with transit countries. Looking ahead to the midterm review proposed by the Group of 77 and China, he said that it should be all-inclusive, involving both landlocked and transit countries as well as the international community, and not only assess progress but also determine what new courses of action were needed for the future.

16. **Mr. Naeemi** (Afghanistan) said that, as valuable and comprehensive as it was, the report on the Almaty Programme of Action did not address the lack of security, which highlighted the link between peace and development.

17. **Mr. Ehouzou** (Benin) said that although five years had elapsed since the adoption of the Brussels Programme of Action, the situation of the least developed countries was still precarious. Greater financial support from the international community was needed. A new resource-mobilization strategy should be put in place, aimed at the Bretton Woods institutions, for infrastructure development; in addition, greater attention should be given to the launching of microfinance projects.

18. **Mr. Sunaga** (Japan) noted that, despite the hoped-for surge in the volume of ODA to least developed countries, many of them still seemed unlikely to achieve the internationally agreed development goals. It would be interesting to know whether the one did indeed have an effect on the other.

19. **Ms. Patiño** (Paraguay), supported by **Mr. Murillo Carrasco** (Bolivia), said that, while the report on the Programme of Action for landlocked developing countries covered many issues, it did not focus any specific attention on the situation of landlocked countries in Latin America. She regretted the omission and asked the Under-Secretary-General to comment on the matter.

20. **Mr. Chowdhury** (Under-Secretary-General, High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States), replying to Committee members' questions and comments, said that much more could be done to meet the challenge of distance faced by landlocked developing countries, to which the representative of the Lao People's Democratic Republic had referred. He therefore personally welcomed the proposal to hold a five-year review of the implementation of the Almaty Programme of Action in 2008, since it would enable his Office to take stock of actual achievements and to adjust to new trends in international development cooperation. His Office would be pleased to help with preparations for the review.

21. He fully endorsed the views of the representative of Afghanistan with regard to the linkage between peace and development. In response to the request from the representative of Benin for more information about the strategy to mobilize resources, he explained that resource mobilization had been one of the aims of

the midterm review of the Brussels Programme of Action and it was also one of the major objectives of his Office. ODA to the least developed countries had risen substantially over the past five years. Even if much of that increase could be ascribed to debt cancellation and humanitarian assistance, the fact that the Governments of those countries did not have to service debts or meet the costs of disaster relief from their own budgets meant that they could devote additional resources to national development efforts.

22. Foreign direct investment in the least developed countries had also gone up, but not enough to spur the growth of industry and infrastructure. Much assistance was therefore still required to build infrastructure; to that end, his Office maintained regular contact with the World Bank, the African Development Bank and the Asian Development Bank.

23. Within the United Nations system, the Capital Development Fund was the key agency for promoting microcredit in the least developed countries, 28 of which were already benefiting from microfinance programmes. It was hoped that, by 2010, such programmes would be running in 40 of those countries. Two years earlier, his Office had lobbied donors to persuade them to increase their contributions to the Capital Development Fund with which it collaborated closely with a view to encouraging the spread of microcredit programmes in the least developed countries.

24. He believed that any resource mobilization strategy should include bilateral contacts with donors and should encompass both regional organizations and other bodies within the United Nations system. As the representative of Japan had noted, all the funds and programmes within the United Nations system had channelled more resources to the least developed countries since the adoption of the Brussels Programme of Action and that trend would probably continue after the midterm review of the Programme. In the preceding two years, the World Food Programme had devoted 57 per cent of its assistance to the least developed countries. That process would be facilitated if specialized agencies, such as the United Nations Human Settlements Programme and the United Nations Environment Programme, were to mainstream the implementation of the Brussels Programme of Action into their work programmes. Inter-agency consultative meetings would be a further means of encouraging entities within the United Nations system to step up their contributions to the least developed countries.

25. In order to support the resource mobilization strategy, his Office was preparing a global advocacy campaign for the implementation of the Brussels Programme of Action. It was likewise setting up parliamentary support groups in the least developed countries and their development partners to underpin the Brussels process. It was engaged in bilateral consultations with Governments and it regularly briefed the European Union and European Commission in an effort to secure their backing for the least developed countries. Any resource mobilization strategy should also include a campaign to boost aid for trade packages for those countries, to provide more funding for the Enhanced Integrated Framework and to widen market access for the exports of the least developed countries. At the same time, his Office was encouraging the latter to improve their national performance, as those which did would never experience a reduction in the resources committed to them.

26. Despite the surge in ODA, many of the least developed countries still had a long way to go to reach the objectives of the Brussels Programme of Action. It was, however, important to bear in mind that development was a highly complex process and that, while ODA was a major component, many other elements, including capacity-building, were also required. Moreover, the commitment of national leaders was absolutely essential.

27. As the Declaration of the High-level Meeting of the sixty-first session of the General Assembly on the Midterm Comprehensive Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and the Millennium Declaration had both indicated, development was the primary responsibility of those countries themselves. For that reason, while it would be necessary to nurture the mutual benefits deriving from assistance from the United Nations system, ODA, foreign direct investment, wider market access and debt cancellation, it was equally vital to find ways of enhancing the least developed countries' own ability to develop.

28. Lastly, in response to the comments of the representatives of Paraguay and Bolivia concerning a lack of vision for the development of the landlocked

countries of South America, he drew attention to the fact that the report of the Secretary-General on the implementation of the Almaty Programme of Action (A/61/302) mentioned the activities undertaken by the landlocked developing countries of Latin America and their transit neighbours. Several paragraphs of that report contained references to the situation in Paraguay and Bolivia. His Office was seeking political guidance from Member States with respect to the vision for the future and the action required in order to assist landlocked developing countries. In doing so, it always bore in mind the situation of the landlocked developing countries in Latin America.

29. **The Chairperson** invited the Committee to engage in a general discussion on the item.

30. **Mr. Le Roux** (South Africa), speaking on behalf of the Group of 77 and China, said that achieving the goals and targets contained in the Brussels Programme of Action called for a renewed commitment from the least developed countries and their development partners. It was vital for that partnership to be reinvigorated and enhanced by promoting mutual and shared responsibilities. The Group of 77 and China welcomed the recent High-level Meeting on the Least Developed Countries and the Cotonou Strategy for the Further Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, which clearly outlined the achievements thus far, the challenges ahead and the action to be taken. In that regard, the Group noted with concern that insufficient progress had been made in implementing the Brussels Programme of Action. The seven commitments it set out must be implemented if the least developed countries were to achieve the internationally agreed development goals, including the Millennium Development Goals.

31. The Group of 77 and China welcomed the decision by the landlocked developing countries to conduct a midterm review of the Almaty Programme of Action in 2008. The review should be preceded, where necessary, by national, subregional, regional and substantive preparations in the most effective, well-structured and participatory manner. In accordance with paragraph 49 of the Programme of Action, the preparatory process should be coordinated by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and be given the necessary support by United Nations system organizations, including the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the regional commissions and the relevant international and regional organizations.

32. Despite the huge effort by the least developed and landlocked developing countries to build enabling national environments, support from development partners was still insufficient and sometimes non-existent. The Group of 77 and China called on development partners to fulfil their commitments under the Brussels and Almaty Programmes of Action in order to ensure that their objectives, goals and targets could be achieved in a timely and expeditious manner. Coordinated action by the United Nations and its agencies, funds and programmes should be enhanced to support the least developed countries. All sides should encourage the private sector to invest in the least developed and landlocked developing countries. More importantly, development partners must fulfil the commitments made at the major conferences and summits of the past 10 years, in particular those held in Monterrey and Johannesburg.

33. **Ms. Fernández** (Finland), speaking on behalf of the European Union; the acceding countries Bulgaria and Romania; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, and Serbia; and, in addition, Moldova and Ukraine, welcomed the outcome of the midterm comprehensive global review, which had been conducted in a constructive spirit. The European Union was pleased that since 2001, economic growth for the least developed countries as a group had come very close to the 7 per cent target, and that ODA from donor countries, especially to the least developed countries, had increased overall. However, there were still considerable gaps in some areas of the programme. She hoped that the recommitment made at the High-level Meeting would boost implementation of the Brussels Programme of Action over the next five years. The European Union's statement at that meeting gave a comprehensive view of its position on the item.

34. The European Union was firmly committed to the implementation of the five priorities contained in the Almaty Programme of Action. Lack of territorial access to the sea and geographical remoteness contributed to increased poverty and had adverse effects on the socio-economic development of

landlocked developing countries. The European Union welcomed the progress made in implementing the Almaty Programme of Action. The European Union provided financial support to the Economic Community of West African States (ECOWAS) regional road transport and transit programme; worked with the New Partnership for Africa's Development (NEPAD); and was the most important trading partner for the landlocked developing country block. However, the trading system alone could not solve the many development problems facing landlocked countries. For that reason, among others, the European Union was working closely on issues related to aid for trade. For the European Union, cooperation with landlocked developing countries was part of the broader development agenda.

35. **Mr. Aspelund** (Iceland) said that Iceland was fully committed to the implementation of the Brussels Programme of Action and to reaching the target of from 0.15 to 0.20 per cent of GNI for ODA to least developed countries. While he was pleased that some of the least developed countries had met the target of annual growth rate of 7 per cent, it was worrying that extreme poverty appeared to be decreasing in only a few of them and increasing in many. A substantial international effort was urgently needed to reverse that trend. Iceland stood ready to play its part.

36. Iceland supported and financed the Heavily Indebted Poor Countries (HIPC) Initiative and welcomed and supported the Multilateral Debt Relief Initiative. Around 70 per cent of its bilateral ODA had gone to the least developed countries, while the core of its multilateral development activities had been support for the Icelandic International Development Agency. That Agency primarily assisted the least developed countries, to which Iceland would continue to channel the largest share of its development cooperation.

37. Food security was an important aspect of Iceland's development cooperation. He mentioned, in particular, Iceland's bilateral fisheries projects and its increased support for the World Food Programme. Another core aspect was education, with projects to educate fishermen in partner countries and geothermal technology and fisheries experts through the United Nations University training programmes in Iceland. Basic education and adult literacy programmes had also become a significant part of bilateral development cooperation, with special emphasis on educating and training people from the least developed countries.

38. There was a pressing need for assistance in the area of health care, the lack of which was one of the main problems affecting the least developed countries. Iceland had therefore launched efforts to support the health sector in two of the least developed countries. His Government had supported the Global Fund to Fight AIDS, Tuberculosis and Malaria, and would continue to support multilateral efforts in that regard.

39. Support for the education, health and economic activities of women had a multiplier effect for their communities. For that reason, Iceland had increasingly directed its development cooperation at gender-specific projects in the least developed countries, both through its bilateral work and by supporting the work of the United Nations Development Fund for Women (UNIFEM).

40. Iceland was fully committed to the implementation of the five priorities contained in the Almaty Programme of Action and recognized that lack of access to the sea and distance from world markets aggravated poverty. The important Aid for Trade Initiative, which Iceland supported, could reduce the adverse effect of geographical location and should be part of a broader development policy for such countries.

41. Iceland would continue to advocate increased liberalization of international trade. The setback of the Doha Round could slow down the integration of countries in special situations into the world economy, while a breakdown in negotiations would have negative consequences for developing countries, especially the least developed and landlocked developing countries. The trade negotiators needed to be brought back to the table without delay.

42. **Mr. Kittikhoun** (Lao People's Democratic Republic), speaking on behalf of the Group of Landlocked Developing Countries, said that the Group took positive note of the information provided in the Secretary-General's report (A/61/302) on the wide-ranging activities undertaken by different stakeholders during the past year. The Secretary-General's recommendations were worth considering.

43. Landlocked developing countries continued to face serious constraints owing primarily to prohibitive transport costs, inadequate infrastructure and cumbersome border crossing procedures, all of which made them less competitive in world markets and less attractive to foreign direct investment and other

financial flows. Against that backdrop, the Group stressed the need for WTO negotiations on market access for agricultural and non-agricultural goods to pay particular attention to products of special interest to landlocked developing countries; called for the full implementation of the São Paulo Consensus and the 2005 World Summit Outcome; and appealed for increased financial and technical assistance in capacity-building in the area of WTO negotiations on trade facilitation. In that context, development partners should give priority to the implementation of the Aid for Trade Initiative and WTO should take account of the special challenges facing landlocked developing countries when implementing that Initiative. In view of the importance they attached to trade facilitation and aid for trade, landlocked developing countries shared the international community's concern over the suspension of WTO negotiations and called for the early resumption of the Doha Round.

44. The first-ever Meeting of the Heads of State or Government of Landlocked Developing Countries, held in Havana in September 2006 on the margin of the fourteenth Summit of the Non-Aligned Movement, had been a historic event for the Group. In the Declaration adopted at that Meeting, the Heads of State and Government in question had reaffirmed their commitment to establishing genuine partnerships with their transit neighbours and development partners, attached particular importance to the effective participation of landlocked developing countries in the international trading system and decided to strengthen their collective voice in WTO trade negotiations. The Meeting had also issued a call to convene a midterm review to assess progress made and chart out further strategies for translating special actions called for in the Almaty Programme of Action into specific projects.

45. The Group would submit a proposal to the General Assembly at its current session on convening that review, which should be well-structured, inclusive and effective and avoid overlapping unnecessary meetings. The active involvement of transit developing countries and development partners was key to a successful outcome. The Office of the High Representative should coordinate the preparatory process for the review and the review process should be supported by United Nations system organizations, in line with the Programme of Action.

46. Making the Almaty Programme of Action a reality was an uphill struggle that required greater synergy and resources. He called upon the relevant United Nations system organizations and other international organizations to integrate the Programme of Action into their relevant programmes of work and urged donor countries and multilateral and regional financial and development institutions to provide landlocked and transit developing countries with technical and financial assistance in the form of grants or concessional loans. Despite the serious challenges facing them, landlocked developing countries remained committed to implementing reforms; had an obligation to develop transit transport infrastructures within their national budget; and would remain dedicated to strengthening the commitment of national organizations to translating the Programme of Action into action. The landlocked developing countries reaffirmed their commitment to closely cooperate with their transit neighbours, on whom they depended for access to and from the sea. Regional economic groupings, transit agreements and bilateral agreements played a critical role in promoting transit transport cooperation. The landlocked developing countries undertook to put such agreements into operation.

47. Lastly, the Group renewed its appeal to donor countries, the international financial and development institutions and private entities to make voluntary contributions to the trust fund established to facilitate the follow-up to the implementation of the outcome of the Almaty International Ministerial Conference.

48. **Mr. Ehouzou** (Benin), speaking on behalf of the least developed countries, said that the least developed countries hoped that the High-level Meeting would lend fresh impetus to consideration of their specific needs. Despite the progress made with the implementation of the Programme, their socio-economic situation was precarious and many of them would not achieve the Programme's objectives, let alone the Millennium Development Goals.

49. The international community was still not providing enough assistance to cover the real needs of the least developed countries in many areas. The renewed pledge of the Heads of State and Government to meet those needs was therefore welcome. The internationally agreed development goals, including the Millennium Development Goals, could, however, be attained in the least developed countries if the seven commitments contained in the Brussels Programme of Action were honoured within the deadlines laid down.

50. The Programme laid the foundations for a world partnership for sustained economic growth, sustainable development and the eradication of poverty. While the least developed countries were primarily responsible for their own development, it was imperative that the international community gave practical support to the efforts of those countries in a spirit of shared responsibility. Over the next four years, bold measures would have to be taken to enable the least developed countries to reach the goals they had agreed with their development partners, to overcome the challenges identified in the Cotonou Strategy and to follow the recommendations in it. For the least developed countries, that meant improving governance, transparency and productive capacity and for the development partners, that meant allocating 0.2 per cent of their GNP to ODA for the least developed countries and giving all products of those countries preferential duty-free and quota-free market access. The debt burden should be lifted by cancelling all the debts of the least developed countries.

51. In implementing the Brussels Programme of Action, United Nations Resident Representatives, country teams and regional Commissions should make every effort to take the sector-by-sector approach recommended by the Cotonou Strategy. It would also be advisable for the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to devise an advocacy strategy that would give implementation activities a higher profile.

52. He called on the various Secretariat departments to include consideration of the least developed countries in their analysis of development issues and to examine the possibility of establishing long-term programmes to assist them. Lastly, they urged the Bretton Woods institutions and other organizations responsible for development financing to pay closer heed to the needs of the least developed countries by substantially increasing the resources allocated to them.

53. **Mr. Exantus** (Haiti), speaking on behalf of the Caribbean Community countries, said that all the members of the Caribbean Community were contending with development difficulties, some of which jeopardized the progress already made by the majority of those countries.

54. The economies of the small island States in the Caribbean Community were highly vulnerable, and Haiti was in a special situation deserving the attention of the whole international community. It was a sad fact that there were huge disparities in the growth of various regions and in the wealth of different social groups around the world. Rapid technological innovations and globalization had propelled growth and wealth to unprecedented levels in some parts of the globe, but the least developed countries were being left behind.

55. The Brussels Programme of Action contained the most ambitious goals ever set for the least developed countries. Nevertheless the findings of the High-level Meeting and regional review meetings suggested that many of those countries would not manage to notch up the 7 per cent annual growth rate needed to attain those targets and that aid from development partners was also below the agreed level. In his own country, Haiti, a combination of adverse factors had led to a constant drop in per capita GNP in the last six years. The Caribbean Community had, however, undertaken to provide the necessary technical assistance to help Haiti to reach the completion point of the enhanced HIPC Initiative, in order that it might benefit from debt relief.

56. It was the moral duty of the international community to eradicate abject poverty. If all the endeavours under way to implement the host of poverty eradication measures proposed over the previous 15 years were harmonized, real results might be achieved. The Brussels Programme of Action — reflecting the principles of the Millennium Declaration — would be a suitable instrument for such harmonization. The international community must centre its efforts on ODA, debt relief and trade, while the Governments of the least developed countries must adopt sound macroeconomic policies and embark on serious institutional reforms. Indeed, if providers of ODA were to make a sustained effort in favour of the least developed countries for the five remaining years of the Brussels Programme of Action, those countries might be able to catch up and achieve the objectives of the Programme. In isolation, ODA, the HIPC Initiative, and trade would not secure the sustainable development of the least developed countries, but a judicious mixture of all three within the framework of concerted policies and initiatives would give those countries an opportunity to free their populations from

the torments of destitution and offer them a more stable and auspicious future.

57. **Mr. Kapoma** (Zambia), speaking on behalf of the South African Development Community (SADC), said that at least half the members of SADC fell into the category of least developed countries. Sadly, those countries continued to be marginalized in the global economy and over half of their population lived in extreme poverty. The Brussels Programme of Action had proved to be too ambitious and had yet to be integrated into the least developed countries' national policies and strategies. At the same time, international policies must be adjusted to channel a greater share of ODA towards projects to improve the infrastructure and productive sectors of those countries.

58. As for the seven commitments contained in the Brussels Programme of Action, SADC members had fared comparatively well in respect of Commitment 2, but their disease burden was an obstacle to their meeting Commitments 1 and 3, although the region was making progress towards universal primary education and gender equality in primary education. Many of the supply-side constraints hampering the region's achievement of Commitment 4 could be addressed under Commitment 5.

59. SADC members realized that trade was an engine for growth and that they therefore needed to improve physical infrastructure and streamline administrative procedures. They commended all the countries which had offered preferential market access to their goods and urged development partners to increase their contributions to the Integrated Framework Trust Fund. They also called for an early resumption of the Doha Round of trade negotiations. As ODA was critical for reaching the objectives and targets of the Brussels Programme of Action, in order to fulfil Commitment 7, the donor community should increase ODA flows to the least developed countries and press ahead with debt cancellation.

60. SADC was committed to achieving the targets of the Brussels Programme of Action and the internationally agreed development goals, including the Millennium Development Goals, and urged its development partners to help it to improve the welfare of its people and to lift them out of abject poverty.

61. **Mr. Chulkov** (Russian Federation) said that the Brussels Programme of Action was crucial to the fulfilment of the global development agenda and the Programme's implementation should therefore be a priority of the international community. Progress in the least developed countries of the world was a decisive factor for the achievement of the internationally agreed development goals and targets, including the Millennium Development Goals. For that reason, his Government endorsed the declaration adopted at the High-level Meeting.

62. The Russian authorities were taking practical steps to foster the development of the least developed countries by reducing import duties, abolishing quotas, applying a preferential regime to imports from those countries and not imposing anti-dumping or special protective measures. Moreover, the Russian Federation was actively participating in multilateral measures to reduce the debt burden of the least developed countries and was writing off debt at the bilateral level.

63. The report of the Secretary-General on the implementation of the Almaty Programme of Action (A/61/302) objectively portrayed the endeavours of the international community to put the Programme into effect. It had mentioned the tripartite Transit Traffic Framework Agreement between China, Mongolia and the Russian Federation, but Russia was also playing an active part in the project being carried out by the United Nations Economic and Social Commission for Asia and the Pacific which was aimed at promoting cooperation between railway companies in order to provide support for 12 landlocked countries in Asia and the Caucasus. As part of that project, a demonstration container train was operating on the line between Ulaanbaatar in Mongolia and Brest in Belarus, most of which crossed Russian territory. The trial runs showed that the distance of 7,562 km could be covered in 13 days and that it was therefore possible to significantly shorten freight delivery times in the landlocked countries concerned and thereby save resources. Efforts to broaden regional economic integration and agreements on subregional and bilateral cooperation on transit transportation would greatly promote the introduction of efficient transit transport systems. For that reason, it was necessary to further the implementation of such agreements.

64. **Mr. Sunaga** (Japan) said that the High-level Meeting had succeeded in identifying progress made and remaining challenges. His delegation would continue to work with the least developed countries and development partners to implement the Brussels Programme of Action and the Millennium

Development Goals. In that context, he recalled that his Government had announced, at the World Trade Organization (WTO) Hong Kong Ministerial Conference in December 2005, the launching of a Development Initiative for Trade, based on the concept of aid for trade. Under the Initiative, domestic procedures to grant duty- and quota-free treatment to exports from the developing countries were already being implemented. With a view to enhancing the supply-side capacity of developing countries, the Initiative provided them with technical assistance to enhance their production capacity and also provided financial assistance to improve basic economic infrastructure such as roads and ports.

65. He welcomed the first summit meeting of the landlocked developing countries, held in Cuba in September 2006, in which his delegation had participated as an observer. The declaration adopted at the meeting would provide a basis for further implementation of the Almaty Programme of Action, to which his delegation was committed. For example, his Government, recognizing the importance of improving capacity and infrastructure, provided ODA and concessional loans to assist in the development of infrastructure and improve regional transportation networks. His delegation also supported the proposal to hold a midterm review of the implementation of the Almaty Programme of Action.

66. **Mr. Sayeed** (India) said that the constraints and challenges faced by the transit developing countries must also be addressed in the context of finding viable solutions to the transportation problems of the landlocked developing countries. The building and maintenance of transportation infrastructure was costly and the international community must commit additional financial resources and technical assistance to such efforts. He therefore urged the General Assembly to monitor the implementation of the Almaty Programme of Action and supported the holding in 2008 of a midterm review of progress made.

67. The transit developing countries had to take on the additional challenge of providing transportation facilities to landlocked countries even though areas of their own countries were as distant from the sea as their landlocked neighbours. India, for example, accorded the highest priority to good relations and trade with Bhutan and Nepal and to cooperation on transit issues. That had made India the largest foreign investor in one of those countries and reduced transport costs for the other to one third the average for landlocked countries and one half that of developing countries as a whole.

68. Progress towards implementation of the Brussels Programme of Action had been unsatisfactory. While many least developed countries had achieved relatively high rates of growth, their productive capacity must be strengthened in order to ensure sustained economic growth. The sustainability of economic growth would depend in particular on the extent to which existing and additional ODA and FDI had to be channelled towards debt relief and emergency assistance. He also expressed concern that ODA to the least developed countries was less than two thirds the agreed target and urged the developed countries to meet the target of 0.15 to 0.20 per cent of gross national product for ODA. While private sector investment could also play a major role, in many least developed countries physical and social infrastructure was too inadequate to attract such investment. He therefore stressed that development partners must ensure implementation of the Brussels Programme of Action and promote economic growth, improved service delivery and poverty reduction in the least developed countries through more and better directed aid, debt relief and improved market access.

69. The issue of debt was critical for many least developed countries and he looked forward to the implementation of the Multilateral Debt Relief Initiative. His Government had demonstrated its commitment to helping the least developed countries that were in a particularly difficult position by writing off the debt owed by seven highly indebted poor countries. Debt relief must, however, be accompanied by efforts to improve debt management and a proactive approach to promote growth and exports and mobilize revenue through better market access and enhanced trade opportunities.

70. The launching of the third round of negotiations for a Global System of Trade Preferences held great promise for the least developed and other developing countries. He welcomed the steps taken by development partners to open their markets to products from the least developed countries and noted that his Government was in the process of finalizing a package for preferential market access for their products. He also noted that 34 per cent of least developed country exports had gone to other developing countries in 2002 and 56 per cent of the least developed countries'

imports had come from developing countries. Those figures testified eloquently to the potential of enhanced South-South cooperation.

71. His delegation strongly supported increased South-South cooperation and sought to increase mutually beneficial economic cooperation with the least developed countries in general and those in the region in particular. An economic and technical cooperation programme had existed for more than 40 years to train nationals of the least developed countries in India and send Indian experts to them. Africa had always been a priority and his Government was strengthening its cooperation through the New Partnership for Africa's Development (NEPAD) and through efforts such as the Techno-Economic Approach for Africa-India Movement (Team-9) in western Africa. Lines of credit and other financial assistance provided by India amounted to almost US$ 1 billion. Work was also under way on a pan-African satellite and optical connectivity mission linking educational institutions and hospitals with counterpart institutions in India.

72. **Mr. Chowdhury** (Bangladesh) said that the economies, institutions and resources of the least developed countries were fragile. They were unable to mobilize domestic and external resources for productive uses and international support was woefully inadequate. Unable to integrate into the global economy, they risked being marginalized and some were even regressing. Furthermore, in 2004 the least developed countries had allocated almost $6 billion to debt servicing and an additional $8 billion had been removed by foreign companies and individuals operating in them. If those amounts were deducted from ODA and foreign direct investment, net capital injection into the least developed countries was less than $5 billion, or only two cents for every citizen, and that was tied to conditionalities.

73. The suspension of the negotiations on the Doha Development Agenda disproportionately affected the least developed countries; they should be resumed immediately with a view to defining the modalities for market access. The Aid for Trade Initiative and the enhanced Integrated Framework for the least developed countries must be operationalized with a view to addressing capacity constraints and the problem of non-tariff and para-tariff barriers in the developed countries. He also expressed concern that the world's most impoverished countries would be disproportionately affected by the anticipated rise in sea level caused by global warming, to which they had made a negligible contribution and were ill-equipped to face.

74. A number of measures were needed to meet the needs of the least developed countries. The developed countries must meet their assistance commitments; the least developed countries' debts must be written off; their products should have free access to developed country markets. Rules of origin must be amended, the least developed countries should be allowed great flexibility in making commitments and meeting obligations, special and differential treatment should be mainstreamed into WTO, least developed country service providers should have free access to developed country markets and foreign direct investment and remittances to least developed countries should be encouraged as a means of increasing capital.

75. He called for a new development paradigm, focusing on poverty reduction and appropriate growth. While the least developed countries accepted the need to make significant efforts themselves — for example, Bangladesh had been a pioneer in the areas of microcredit and women's non-formal education — implementation of the Brussels Programme of Action would provide welcome evidence of the international community's commitment.

76. **Mr. Liu** Zhenmin (China) said progress had been made towards the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010. Although the economic growth of the least developed countries as a whole was near the target of 7 per cent, most nevertheless were trapped even deeper in poverty, their environment had deteriorated, their debt burden was heavier and ODA had increased only slightly. He therefore welcomed the declaration adopted at the recent High-level Meeting.

77. The international community had a duty to assist the least developed countries in their development efforts, which would affect 700 million of the poorest people in the world. Donors from the developed world must meet their commitment to allocate 0.15 to 0.2 per cent of gross national income to ODA for the least developed countries by 2015, increase grants, provide debt relief, implement the outcome of the WTO Hong Kong Ministerial Conference and grant duty-free and quota-free access to exports from the least developed countries by 2008.

78. His Government had provided all possible assistance to the least developed countries within its capabilities. At the 2005 World Summit, it had announced five measures aimed at accelerating development in the developing countries, the main beneficiaries of which had been the least developed countries. It had provided assistance to least developed countries on 1,701 occasions, completed 799 projects, cancelled 172 debts owed by 36 least developed countries and given tariff-free access to some exports from the 39 least developed countries that had diplomatic relations with China. At the Summit of the China-Africa Forum on Cooperation held a few days earlier, his Government had proposed additional measures to accelerate development in Africa. It would continue to work to strengthen South-South cooperation and the development of the least developed countries.

79. The landlocked developing countries had to bear additional costs, which seriously impeded trade and the development of their economies and he therefore welcomed progress made towards the implementation of the Almaty Programme of Action. In 2004, their gross domestic product and foreign direct investment had increased considerably, although their heavy debt burden had affected overall economic performance. Continued implementation of the Almaty Programme of Action would require cooperation between landlocked and transit developing countries and international partners, particularly donors from the developed world. Construction of efficient transportation systems and cooperation in transit transportation were in the interests of both the landlocked and transit developing countries. Implementation of the Almaty Programme of Action must therefore be based on the principles of consultation, mutual benefit and shared development.

80. China, as a transit developing country with a vast territory and some landlocked regions, fully understood the concerns of the landlocked developing countries and was ready to provide them with development assistance and do its best to meet their transit transportation needs. His Government had signed 13 bilateral and multilateral transportation agreements with neighbouring countries and opened a number of routes for passengers and goods. It had also provided 60 million RMB yuan to the Republic of Kyrgyzstan for the construction of a road connecting China, Kyrgyzstan and Uzbekistan and increased funding for the construction of the Chinese sections of 12 land transportation routes leading to other countries in the region.

81. His delegation welcomed the active role played by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. The High Representative should enhance coordination with the countries and agencies concerned with a view to promoting the effective implementation of the relevant goals of the Brussels and Almaty Programmes of Action.

82. **Mr. Meurs** (United States of America) said that poverty was a grave challenge facing the international community, in particular the least developed countries and it was in the interest of all nations to eradicate that scourge. In addition to assistance provided through international aid and development organizations, his Government had made development, including the special needs of the least developed countries, one of the pillars of its national security strategy and foreign policy.

83. Its ODA had increased from $10 billion to $27.6 billion between 2000 and 2005; bilateral aid to the least developed countries had increased by nearly 40 per cent, to almost $5 billion, between 2004 and 2005; and aid to Africa had increased to $4.2 billion, more than 250 per cent over 2000 levels. In addition, non-trade private financial flows from the United States, including personal remittances, net private investment and NGO grants, had totalled $119 billion in 2005, over four times the amount of ODA. Furthermore, the United States remained the largest single-country source of humanitarian aid and disaster relief.

84. Economic growth and opportunity, access to global markets and the creation of effective institutions were the keys to poverty reduction. Trade played a vital role; the developing countries' share of world trade had increased from 20 per cent in 1995 to almost 30 per cent in 2005 and, as a result, the average annual growth in GDP per capita in the emerging economies had been 5.6 per cent compared to 1.9 per cent in the developed world.

85. In 2004, the United States had been the single largest importer of goods from developing countries. The reduction of tariffs and other barriers to trade had enormous potential to unleash developing country trade

and he noted that the United States already had relatively low barriers to products from developing countries. The developing countries' own trade barriers, however, remained substantial and should not be overlooked as efforts for trade liberalization proceeded. His Government remained committed to far-reaching trade liberalization through the Doha Round and he recalled that his Government was the single largest provider of trade capacity-building assistance to the developing countries.

86. In implementation of commitments made at the Millennium Summit and the International Conference on Financing for Development, his Government had established the Millennium Challenge Corporation, aimed at reducing poverty through sustainable growth in partnership with countries whose own performance made reaching that goal possible. The Corporation was currently engaged with 22 eligible countries, 12 of which were least developed countries. Compacts had also been entered into with nine countries and two more were being considered; four of them were with least developed countries. Those 11 compacts represented a commitment amounting to $3 billion and a further 11 compacts representing an additional commitment of over $5 billion were possible in the near future. Such compacts were available to countries that had performed well in the areas of governance, investing in people and encouraging economic freedom.

87. The Millennium Challenge Corporation embodied the Brussels Programme of Action and, recognizing that there was no one-size-fits-all approach to development, incorporated proven factors for sustainable growth and development, including country ownership of results-oriented development programmes, capacity-building, good governance, the rule of law, effective institutions, open markets, environmental sustainability and mobilization of financial resources. The Corporation and other United States transformational development assistance programmes offered partnership and substantial resources in exchange for measurable performance and results with the aim of achieving lasting development outcomes. Partnership and shared commitment to helping people strive for better lives would ensure progress in the developing countries and the international community as a whole.

88. **Mr. Gansukh** (Mongolia) said that trade was essential for the landlocked least developed countries to generate resources for their growth and development. Greater market access for their products, as called for in the Almaty Programme of Action, would reduce the effects of both natural and market-induced handicaps, such as price fluctuations. Customs procedures and transport represented the highest costs for their exports and customs and border-crossing procedures accounted for 75 per cent of delays and he recalled that at the first summit of Heads of State and Government of the landlocked developing countries, held two months earlier in Cuba, participants had called on the international community to give special consideration to the special problems faced by the landlocked developing countries during World Trade Organization trade facilitation negotiations.

89. Improvements in market access must be complemented by sustained efforts to improve the productive capacity of the landlocked developing countries and their trade negotiating capacity should be strengthened through significantly increased funding and technical assistance. The international community must meet its commitment to help the landlocked developing countries address their specific needs by increasing market access for their exports and enhancing their export capacity.

90. Financial and technical assistance for the development of transport infrastructure was likewise a priority and support and cooperation efforts at the bilateral, regional and international levels should be strengthened. In that regard, he emphasized the efforts of the regional commissions, in particular the Economic and Social Commission for Asia and the Pacific (ESCAP) and looked forward to the implementation of the Intergovernmental Agreement on a Trans-Asian Railway Network in the near future.

91. His delegation made every effort to promote the interests of the landlocked developing countries at international forums and would continue to cooperate with other such countries and international partners in that regard. It had for example offered to host the next meeting of landlocked developing country ministers of trade in 2007 as yet another opportunity for cooperation with development partners aimed at achieving the Millennium Development Goals and the Almaty Programme of Action.

92. Transit transportation should be facilitated through a fully integrated mechanism based on a multilateral agreement. To that end, his Government

was endeavouring to complete a trilateral framework agreement on transit cooperation with the People's Republic of China and the Russian Federation with a view to creating an effective mechanism for transit traffic through the world's largest land transit corridor. Those efforts could serve as a model for a multilateral mechanism. Finally, he recalled the suggestion made by the President of Mongolia at the Havana Summit concerning the establishment of an international think-tank to help develop strategies on any matter of shared interest, an idea that should be considered by the landlocked developing countries and their development partners.

The meeting rose at 1.05 p.m.

United Nations A/C.2/61/SR.27

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Chairman: Ms. Intelmann ..... (Estonia)

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06-61094 (E)

The meeting was called to order at 11.45 a.m.

Agenda item 57: Eradication of poverty and other development issues (*continued*) (A/61/307)

(a) Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (*continued*) (A/61/308)

(b) Industrial development cooperation (*continued*) (A/61/305)

1. **Mr. Schölvinck** (Director, Division for Social Policy and Development, Department of Economic and Social Affairs) introduced the report of the Secretary-General on the observance of the International Day for the Eradication of Poverty (A/61/308), which gave a brief overview of the link between the International Day and human rights; discussed the usefulness of a human rights approach as a tool for poverty reduction; and reviewed the observance of the International Day throughout the world.

2. Of the review's findings, he highlighted the opportunity to foster dialogue and collaboration among stakeholders and the importance of the participation of poor people themselves. Such participation empowered poor people by giving them a forum where they could express their concerns. The inclusion of people living in poverty in all poverty eradication efforts was a crucial message that should be repeated throughout the year.

3. The report concluded that the observance of the International Day could be an important rallying point for national and global campaigns to realize the Millennium Development Goals, in particular the goals to eradicate poverty and hunger. It recommended, inter alia, that human rights should be mainstreamed into development discussions as a key tool in the eradication of poverty; the International Day should be a national day for action involving all stakeholders and citizens; the participation of people living in poverty should be at the centre of the observance of the International Day; and special efforts should be made to ensure the inclusion of the most isolated groups.

4. He then turned to the report of the Secretary-General on the observance of the International Year of Microcredit, 2005 (A/61/307), which described national efforts and spotlighted major activities and events launched at the international level in partnership with different actors.

5. The report observed that the Year had significantly contributed to raising global public awareness about microcredit and microfinance as important tools for reducing poverty and achieving the Millennium Development Goals. More than 60 countries had established national committees and over 100 had joined global efforts to advance microfinance programmes. Over 300 conferences, forums and other events had been organized to celebrate the Year and promote discussions on how to improve access to sound financial services for people living in poverty.

6. An important initiative of the Year had been the report of the United Nations Capital Development Fund entitled *Building Inclusive Financial Sectors for Development*, which addressed the challenges to building inclusive financial sectors and served as a tool for policymakers.

7. An important outcome of the Year, meanwhile, had been the establishment of the United Nations Advisers Group on Inclusive Financial Sectors, which had about 20 members, including senior officials from a number of leading private sector financial institutions, Governments, central banks, development agencies, microfinance institutions and other financial service providers, the Bretton Woods institutions and academia. While the Group would follow up several aspects of the initiatives taken during the Year, its emphasis and focus would be on encouraging, supporting and monitoring global progress towards building inclusive financial sectors.

8. Lastly, the award of the 2006 Nobel Peace Prize to Professor Muhammad Yunus and Grameen Bank recognized the role that microcredit and microfinance could play in improving the lives of poor people everywhere and inspired everyone to build on the achievements of the International Year.

9. **Mr. de Groot** (United Nations Industrial Development Organization (UNIDO)) said that, as the Director-General of UNIDO had explained in detail at the 23rd meeting, UNIDO was currently focused on three thematic priorities: poverty alleviation through productive activities; trade capacity-building; and energy and the environment. Within each theme, the focus was on the Organization's specific strengths and experience.

10. To ensure that the development needs of Member States were met in a comprehensive manner, UNIDO worked closely with organizations with complementary mandates, including the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP), the World Trade Organization (WTO), the International Trade Centre (ITC), the United Nations Environment Programme (UNEP), the Global Environment Facility (GEF) secretariat and the Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol. It had recently signed a memorandum with FAO covering joint activities in agro and food processing, and biofuels. UNIDO staff would be posted to Rome to speed up the development of those activities, in close cooperation with the International Fund for Agricultural Development (IFAD).

11. Partnerships were an important element of UNIDO's strategy, including the promotion of South-South partnership and close cooperation with the New Partnership for Africa's Development (NEPAD).

12. **Mr. Mally** (United States of America) said that eradicating poverty was a moral imperative that deserved the sustained attention of the United Nations and all its Members. While the scale of the challenge seemed daunting, many countries were succeeding. It was possible to turn vicious circles of poverty into virtuous ones of growth and prosperity.

13. The report of the Secretary-General on the observance of the International Day for the Eradication of Poverty (A/61/308) linked the lack of rights to the persistence of poverty. While his delegation might debate some of the definitions of rights and related conclusions, the bottom line was that eradicating poverty was a complicated affair that involved the interaction over time of many Government policies in different spheres with the actions and decisions of individuals, households and businesses, against a backdrop of changing economic conditions. It also involved increasing productivity through accumulation of capital and skills. That was clearly at odds with the view that poverty could be eradicated by a "big push" of frontloaded transfers from rich countries to poor countries. Even so, his country was not shying away from using ODA where appropriate, as its record of nearly tripling ODA from 2000 to 2005 showed.

14. The High-Level Segment of the Economic and Social Council's 2006 substantive session had discussed the right to meaningful employment and "decent work". On that occasion, his delegation had highlighted the critical contribution of employment creation to ending poverty. The ability to work was about the right to life, especially for the poorest of the poor. Thus, poverty eradication was largely about enterprise and job creation. Accordingly, there was much to be gained simply by removing barriers that held people back from realizing their potential. Registering property and enforcing contracts would help microenterprises move out of the informal sector, gain access to finance and produce more jobs. Educating girls and giving women equal opportunity would lead to better health for women and their children, and more productive economies.

15. He emphasized the role of competitive markets, which allocated resources efficiently, spawned innovation, delivered goods and services, and spread risks. The existence of externalities and failed markets was well established. However, in most places where there was pervasive and extreme poverty, markets had failed because Governments had not allowed them to succeed. Eradicating discussion of markets did not augur well for eradicating poverty.

16. **Mr. Schölvinck** (Director, Division for Social Policy and Development, Department of Economic and Social Affairs) said that eradicating poverty was indeed a complicated affair and harmonizing policies crucial. Noting that poverty eradication was discussed in the Second but not in the Third Committee, he stressed the need to better integrate economic and social policies and abolish the artificial divide that currently existed.

17. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that, while the first United Nations Decade for the Eradication of Poverty (1997-2006) had led to greater awareness of the nature of poverty, greater acknowledgement of the intrinsic links between poverty eradication and global peace, and a strengthened global partnership, poverty eradication continued to be the major challenge facing the world, where more than a billion people were languishing in extreme poverty.

18. The work of Professor Amartya Sen, 1998 Nobel Prize Winner in Economics, had contributed to a

crucial paradigm shift towards a multidimensional concept of poverty and development. While development had previously been measured in terms of GDP per capita and poverty in terms of mere income deprivation, currently human development was characterized in terms of the expansion of valuable human capabilities, with major emphasis on individual freedoms and rights.

19. To fight poverty was to ensure human security. That meant protecting people's vital freedoms from threats deriving from deprivation, economic downturns and disease and empowering them to cope with such dangers. Those were the functions of any well-governed State. The eradication of poverty was central to global stability and peace.

20. As asserted in the report of the Secretary-General on the observance of the International Day for the Eradication of Poverty (A/61/308), a human rights approach to poverty reduction was recognized and implemented internationally. It linked poverty reduction to questions of obligation, rather than welfare or charity, and compelled policymakers to identify the most vulnerable people and implement appropriate strategies to help them. The report's articulation of human rights as a tool to eradicate poverty should receive the Committee's close attention.

21. Thirty-four of the world's 50 least developed countries were in Africa, while East and South Asia and sub-Saharan Africa were home to 93 per cent of the world's extreme poor. Since poverty was partially determined by the ability of households to access capital and other essential financial services, microcredit and other financial services could significantly improve the lives of people living in poverty. Microcredit was also a wise investment in human capital and had become a key strategy for halving extreme poverty and hunger by 2015. A growing body of empirical evidence supported that view. In the least developed countries, microcredit was an effective tool for eradicating poverty and empowering people, especially women. He was particularly pleased that the 2006 Nobel Peace Prize had been awarded to Professor Muhammad Yunus and his pioneering institution, Grameen Bank.

22. The recent High-Level Meeting on the Midterm Comprehensive Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 had recognized that the socio-economic situation in the least developed countries remained precarious and required the international community's continued attention and that it was unlikely that most of the least developed countries would achieve the Programme's goals and objectives. Development in such countries was constrained by many factors, including structural weaknesses; limited capacity; inadequate infrastructure; limited capability to mobilize and attract resources; unsustainable external debt; vulnerability to external shocks; natural disasters; continuing conflicts; and the prevalence of diseases. Other challenges included rapid population growth, increasing urbanization, environmental degradation and climate change. The fight against poverty also called for good governance.

23. Poverty alleviation could not be accomplished in one decade. Development was a long process that needed not only will and determination, but also patience and a great deal of flexibility. The United Nations Decade for the Eradication of Poverty had started that process. It must not be derailed or reversed.

24. **The Chairperson** invited the Committee to engage in a general discussion on the item.

25. **Ms. Fernández** (Finland), speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey, the stabilization and association process countries and potential candidates Albania and Serbia, and, in addition, Liechtenstein, Ukraine and the Republic of Moldova, said that poverty eradication remained the overarching objective of the European Union's strategy for development cooperation. European Union member States and the European Commission supported the implementation of national poverty reduction strategies, giving priority to least developed countries. Millennium Development Goal indicators had helped the Union to galvanize efforts towards poverty eradication, and it continued to be committed to the global partnership for development as envisaged in the Millennium Declaration, the Monterrey Consensus and the Johannesburg Plan of Implementation.

26. The European Union had been systematically focusing on poverty since the 1995 World Summit for Social Development, which had identified poverty eradication, full productive employment and social integration as the three most important challenges to be

met in order to achieve sustainable development, with emphasis on the objective of decent work for all.

27. While the number of people living in extreme poverty over the last decade had declined by over 100 million, the total number of people living in abject poverty was more than 1 billion. Countries needed to take primary responsibility for their own development, through good governance and national poverty reduction strategies which should address the important issues of education and health. The international community should support those endeavours.

28. As labour was often the only marketable asset that poor people had at their disposal, efforts to reduce poverty must include social rights, social protection, social inclusion and dialogue, and job creation, and the promotion of gender equality, entrepreneurship and employability, with particular emphasis on youth.

29. She congratulated the Managing Director of the Grameen Bank of Bangladesh and his team on their work on microfinance, which had proven to be an effective means of lifting people out of extreme poverty, putting resources and power into the hands of millions of individuals. In that connection, more inclusive financial services should be provided, for example by replicating or scaling up the Grameen Bank model, and lowering service costs through technological innovation.

30. **Mr. Talbot** (Guyana), speaking on behalf of the Rio Group, said that the Rio Group agreed with the Secretary-General that the eradication of poverty was not only a development objective, but also a human right. Development and the eradication of poverty, especially through the framework of the Millennium Development Goals, had been a central focus of the international community over the last decade.

31. While some progress had been made since the adoption of the Millennium Declaration, much remained to be done. Great inequalities in the distribution of wealth persisted among Rio Group countries, where one in four persons lived on less than two dollars a day. The World Bank report entitled "Poverty Reduction and Growth: Virtuous and Vicious Circles" suggested that poverty should be treated in an integrated and comprehensive manner, with attention to such issues as education, health and housing.

32. A report of the Economic Commission for Latin America and the Caribbean (ECLAC) on the Millennium Development Goals had revealed that 18.6 per cent of the population of Latin America and the Caribbean lived in extreme poverty; that figure was 42.9 per cent in rural areas. Since nearly 90 per cent of the region's extreme poor lived in middle-income countries, the approach of focusing on poor countries instead of poor persons should be reconsidered. Immediate action was needed in that regard, and the Rio Group called on its development partners to fulfil the commitments made, including the provision of 0.7 per cent of GDP for ODA.

33. The structural economic reforms that many Rio Group countries had undertaken in recent years had produced significant advances in macroeconomic stability, growth recovery, international insertion and regional integration, with emphasis on economic liberalization and enhancing growth and reducing inflation. They had allocated resources to social investment in order to lower the poverty line, thus combining the positive effect of growth with the progressive distribution of income.

34. The international environment needed to facilitate sustained economic growth, higher levels of investment, business competitiveness, financial and technical assistance, technology transfer and training to help Rio Group countries to better address their citizens' basic needs and improve their lives and livelihoods. The international community thus needed to make concerted and coordinated efforts to eradicate poverty, promote global development through increased and effective orientation of development aid, identify and support alternative sources for financing, eliminate the digital divide and advance sustainable development and the liberalization of trade.

35. An open trading and financial system was essential, based on predictable and non-discriminatory norms, including on agriculture — without any protectionism or subsidies for production and exports. Countries should show the political will needed to resume WTO negotiations and ensure a positive conclusion to the Doha Development Round.

36. The fight against poverty and hunger was the greatest ethical and moral challenge facing humanity and should be approached in a spirit of solidarity, in the framework of a global alliance for development and through concrete actions. In that connection, it was

timely to give greater consideration to the proposals advanced by certain Rio Group countries, such as the Action Against Hunger and Poverty Initiative, the proposal for an international humanitarian fund, and the call for the establishment of a new global human order. While development extended beyond the fight against poverty, the eradication of that scourge must remain a benchmark of collective efforts to accelerate development.

37. **Mr. Atiyanto** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that the objective of overcoming poverty was far from having been achieved, and the growth in the world economy would not be sufficient to fuel the efforts of least developed countries to achieve the Millennium Development Goals, in particular the goal pertaining to poverty. Indeed, global imbalances and widespread poverty were ongoing challenges. Observance of the International Day for the Eradication of Poverty and the 2005 International Year of Microcredit had been an effective way to reinvigorate the obligation of eradicating extreme poverty. More should be done to achieve the Millennium Development Goals by 2015. In that connection, a global partnership for development needed to come into full play, and efforts to implement General Assembly resolution 60/265 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals should be redoubled. Imbalances in the global economy needed to be addressed, financial flows for development to developing countries needed to be increased and their external debt burden further eased; also, fair trade and market access for export products should be enhanced.

38. Economic cooperation was crucial to bridging the development gap between member countries. In that regard, ASEAN had pro-poor, pro-growth and pro-employment policies in pursuit of the Jakarta Declaration on Millennium Development Goals in Asia and the Pacific, and a range of measures, including an integration initiative, the Vientiane Action Programme, and the framework for the Plan of Action on Rural Development and Poverty Eradication (2004-2010), through which it was working with such organizations as the World Bank and UNDP. It was also advocating South-South cooperation and tripartite arrangements with development partners, and promoting microfinancing as a vehicle for achieving the Millennium Development Goals. Furthermore, ASEAN was identifying key elements for a Millennium Development compact for intersectoral collaboration towards achieving those Goals.

39. The Association was developing a communication and transportation network with special consideration to its landlocked member country, so as to help that country to improve its competitiveness in ASEAN and interregional trade and economic cooperation.

40. **Mr. Snoussi** (Tunisia) said that, although the first United Nations Decade for the Eradication of Poverty was nearing an end, poverty and hunger were actually increasing. Many developing countries were still not in a position to improve their socio-economic situation or achieve the Millennium Development Goals. With respect to Africa in particular, the United Nations Conference on Trade and Development (UNCTAD) was advocating a new "aid architecture" whereby aid to Africa would be doubled to give the continent a "big push" to achieve the Goals.

41. The fight against poverty could not be won unless there was a genuine global partnership for development. That would require cooperation and support for the multilateral trade system, official development assistance, sustainable external debt, technology transfer and the effective participation of developing countries in economic and social decisions. The global partnership for development should promote a culture of solidarity and a spirit of sharing. After 10 years, poverty and hunger remained an obstacle to development and a threat to security. It was hoped that more concrete results would be achieved during the second Decade.

42. **Mr. Raghavan** (India) said that continued poverty was a by-product of liberalization and the policies of international economic institutions. International financial and trade systems must be reformed so that they could constructively support national efforts to eradicate poverty. For its part, India was promoting South-South cooperation, including by extending highly concessional credit lines to West Africa, cancelling the debts of heavily indebted poor countries, and providing duty-free access to its market for exports from least developed countries.

43. The developed world had an obligation to provide financial resources as well as support for building

human and institutional capacity. Sequencing, innovative sources of financing and special and differential treatment were crucial. To avoid the danger of deindustrialization, the developing countries themselves needed to maintain flexibility and policy space with respect to non-agricultural market access.

44. India had developed a national strategy to accelerate economic growth and improve the quality of life of the poor through specific and targeted poverty eradication programmes. Poverty had declined by some 12 per cent since 1987 and it was expected that the programmes would help India meet its commitment to reduce the poverty ratio by a further five per cent by 2007 and 15 per cent by 2015.

45. India welcomed the momentum generated by the International Year of Microcredit, 2005 towards creating an enabling environment for the exploitation of microcredit and microfinance as tools of poverty eradication. The next step was to address the issue of funding for capacity-building and other support systems so that microcredit and microfinance institutions could be established in developing countries where they did not yet exist.

46. **Mr. Duong Hoai Nam** (Viet Nam) said that his delegation concurred with many points in the Secretary-General's report on the eradication of poverty and other development issues, particularly the recommendations relating to the implementation of the first United Nations Decade for the Eradication of Poverty and the realization of the Millennium Development Goals.

47. Although some countries had made progress in achieving the Goals, many developing countries would not be able to attain the targets. Developing countries required assistance to improve their export capacity, improve their access to high-tech and financial markets and increase their participation in international economic cooperation mechanisms, especially WTO. Viet Nam welcomed the collective commitment by the European Union countries to provide 0.7 per cent of their GNI for ODA and the agreement by the Group of Eight to cancel all outstanding debts of eligible heavily indebted poor countries.

48. As of 2004, Viet Nam had reduced the 1993 poverty rate by three fifths, thus attaining the goal of halving poverty 10 years ahead of schedule. It had also succeeded in eliminating illiteracy and achieving universal primary education. Those important achievements had been attained with the valuable support of United Nations organizations, other bilateral and multilateral donors, international NGOs and foreign individuals. Viet Nam looked forward to their continued support and assistance in the future.

49. **Mr. Chowdhury** (Bangladesh) said that the celebration of the International Year of Microcredit, 2005 had helped to increase global awareness of microcredit as an important tool in the fight against poverty. Microfinance programmes had spread worldwide during the past two decades and the Global Microcredit Summit 2006 planned to launch a new campaign to ensure that 175 million of the world's poorest families were receiving credit for self-employment and other business services by the end of 2015.

50. Microfinance had contributed to asset creation, employment generation, economic security and empowerment of the poor, particularly women. With careful attention to a strategic gender approach, microfinance institutions had the potential to enable women to become socially and politically empowered through financial self-sufficiency. As the United Nations became increasingly engaged in peacebuilding in strife-torn parts of the world, microcredit could also play a significant role in sustaining peace.

51. Rapid socio-economic progress had placed Bangladesh in the medium category of the UNDP Human Development Index. Microcredit had played an important role in the country's development achievements and an extensive study by the World Bank had found that 40 per cent of poverty reduction in Bangladesh was directly due to microcredit.

The meeting rose at 1.05 p.m.